GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:4491
ANSWERED ON:29.03.2017
Fresh Round of Spectrum Auction
Adhikari Shri Sisir Kumar;Kothapalli Smt. Geetha;Panda Shri Baijayant "Jay";Patil Shri Bheemrao Baswanthrao;Senthilnathan Shri PR.;Vellaigounder Shri Elumalai

Will the Minister of COMMUNICATIONS be pleased to state:

(a) the details of the 3G and 4G spectrum auction and the revenues generated there from during each of the last three years, operator-wise along with the reasons for shortfall in the said revenues, if any, with respect to budget estimates ;

(b) whether the Government proposes for a fresh round of auction in near future and if so, the details thereof including plans, if any, to make the said process an annual affair along with the steps taken by the Government to expedite the same;

(c) whether the Government plans to auction 5G spectrum in the said round of auction and if so, the details thereof including the estimated amount likely to be realized therein and if not, the reasons therefor;

(d) the steps taken by the Government to provide adequate support to all the participants of the said auction and maintain a level playing field for all; and

(e) whether no player evinced interest in the auction of 700 Megahertz band and if so, the details thereof and the reasons therefor including the complaints registered from the telecom companies with regard to the auction price?

Answer

THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI MANOJ SINHA)

(a) The year-wise figures of revenue generated during each of the last three years, operator-wise are as follows;
<pre>

Year of Auction Name of the bands
Name of the company Total Bid Amount
(Rs. in crores) Upfront amount received (Rs. in crores)
2014 1800 MHz Bharti Airtel 9814.93 3369.74
Idea Cellular Ltd. 6719.41 2217.41
Vodafone Ltd. 8373.00 2763.09
Telewings Communications Services Pvt. Ltd. 807.41 266.45
Aircel Ltd. 182.86 60.34
Reliance Jio 11026.93 3638.89
Reliance Communications 163.20 53.86
900 MHz Bharti Airtel 8623.62 2155.91
Idea Cellular Ltd. 3704.80 926.20
Vodafone Ltd. 11261.20 2815.30
Total 60677.36 18267.19

2015 2100 MHz Bharti Airtel 5833.52 1925.07
Idea Cellular Ltd. 577.98 190.73
Vodafone Ltd. 3703.93 1222.30
1800 MHz Bharti Airtel 1040.71 354.48
Idea Cellular Ltd. 1919.76 633.52
Vodafone Ltd. 867.48 286.27
Reliance Jio 1886.87 622.66
Aircell Ltd. 2250.00 742.50
Reliance Communications 393.42 129.83
Tata Teleservices 631.28 208.32
900 MHz Bharti Airtel 22254.88 9095.18
Idea Cellular Ltd. 27639.80 6909.95
Vodafone Ltd. 21234.65 5308.66
Reliance Communications 1834.76 458.68
800 MHz Reliance Jio 7876.42 1969.11
Reliance Communications 2062.32 515.58

Tata Teleservices 7220.00 1805.01
Total 109227.78 32377.85
2016 2500 MHz Idea Cellular Ltd. 2520.80 1260.40
Vodafone Ltd. 9220.80 4610.40
2300 MHz Bharti Airtel 7006.78 3508.39
Idea Cellular Ltd. 888.28 444.14
Reliance Jio 7895.06 3947.53
2100 MHz Bharti Airtel 4840.00 2770.00
Idea Cellular Ltd. 3985.00 1992.50
Vodafone Ltd. 7315.00 3657.50
1800 MHz Bharti Airtel 2396.8 1288.81
Idea Cellular Ltd. 5403.9 2701.95
Vodafone Ltd. 3743.50 1871.75
Reliance Jio 2153.91 1076.96
Aircell Ltd. 111.60 55.80
R.Com 65.00 32.50
Tata Teleservices 4619.20 2309.60
800 MHz Reliance Jio 3623.49 905.87
Total 65789.12 32434.10
</pre>
The budget estimate (R.E) of revenue from spectrum auction, actual realization and the shortfalls if any, is given below:
<pre>
Sl. No. Year DoT Target Projection (Rs. in cr.) (R.E) Achievement (Actual Receipts) (Rs. in cr.) Remarks
1. 2014-15 Nil 10791.08 No shortfall
2. 2015-16 21,587.00 21587.00 No shortfall
3. 2016-17 33,194.00 33196.87 * No shortfall
</pre>
*Rs. 32434.10 crore received from Auction 2016 and Rs. 762.77 crores from sale of Partial/Residual Spectrum at auction determined price.

(b) The Department has conducted spectrum auction every year from 2012 onwards in various spectrum bands as per availability. The Government has not yet decided to auction spectrum in near future nor made any plan to make it annual affair.

(c) The standardization of technology for 5G services is in progress at the International Telecom Union (ITU), Geneva, Switzerland. Further, the Government auctions spectrum without specifying any technology, subject to the condition that the technology deployed by the TSP is the one approved by international organization like ITU or by the DoT. It is for TSPs to deploy the technology (2G, 3G etc...) within the spectrum acquired by them which best serves market demands.

(d) The Government ensured level playing field to all the participants in the spectrum auction held so far and would remain committed to do so in the future auctions also.

(e) No bid was received in any of the 22 Licensed Service Areas(LSAs) in 700 MHz in auction held in October 2016. Representations from TSPs were received regarding high price of 700 MHz spectrum. Expensive ecosystem in 700 MHz band together with industry perception of high reserve price appears to be the main reason for no bids in the 700 MHz band. In addition, companies appeared to be preserving cash to protect market share in the days to come.

****